



FEDERAL ELECTION COMMISSION
Washington, DC 20463

May 24, 1999

Jeffrey C. Barbakow, CEO
Tenet Healthcare Corporation
3820 State St.
Santa Barbara, CA 93105

RE: MUR 4886

Dear Mr. Barbakow:

On May 19, 1999, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your behalf in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

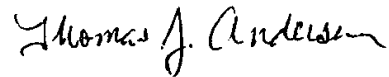
The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Jeffrey C. Barbakow, CEO
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Enclosed you will find a copy of the fully executed conciliation agreement for your files.
If you have any questions, please contact me at (202) 694-1650.

Sincerely,



Thomas J. Andersen
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Tenet Healthcare Corporation

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MUR 4886

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities.

The Commission found reason to believe Tenet Healthcare Corporation ("Respondent") violated 2 U.S.C. § 441b(a).

NOW, THEREFORE, the Commission and Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.

§ 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Tenet Healthcare Corporation ("Tenet Healthcare") is a corporation within the meaning of 2 U.S.C. § 441b(a).

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2. Tenet Healthcare Corporation Political Action Committee ("TenetPAC") is Tenet Healthcare's separate segregated fund and a political committee within the meaning of 2 U.S.C. § 431(4).

3. Tenet Healthcare is a member of the Federation of American Health Systems ("Federation"), a non-profit, incorporated national trade organization.

4. The Federation of American Health Systems Political Action Committee ("FedPAC") is the Federation's separate segregated fund and a political committee within the meaning of 2 U.S.C. § 431(4).

5. The Federal Election Campaign Act of 1971, as amended, prohibits a corporation from making contributions or expenditures in connection with any Federal election. 2 U.S.C. § 441b(a); 11 C.F.R. § 114.2(b).

6. The term "contribution or expenditure" shall include "any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value . . . to any candidate, campaign committee, or political party or organization, in connection with any" Federal election. 2 U.S.C. § 441b(b)(2). See also 2 U.S.C. § 431(8)(A)(i); 11 C.F.R. §§ 114.3(a)(1) and 100.7(a)(1).

7. The Commission's regulations further explain that corporations and their representatives are "prohibited from facilitating the making of contributions to candidates or political committees, other than to the separate segregated funds of the corporations" 11 C.F.R. § 114.2(f)(1).

8. In 1997, pursuant to a predetermined annual contribution goal agreed upon by Tenet Healthcare and the Federation, Tenet Healthcare solicited its executives to contribute to

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FedPAC. A total of 27 Tenet Healthcare executives responded to these solicitations by making checks out to TenetPAC in amounts ranging from \$500 to \$3,000.

9. These checks, containing such notations as "[m]ay be earmarked for FedPAC," were collected by Tenet Healthcare and deposited into TenetPAC's account between November 7 and December 22, 1997. When the amount reached the target level of \$35,000 on December 22, TenetPAC sent a check for the total amount of contributions (\$35,350) to FedPAC.

10. The solicitation, collection, processing and transmittal of these funds constituted an in-kind contribution by Tenet Healthcare to FedPAC.

V. Respondent facilitated the making of 27 contributions totaling \$35,350 on behalf of FedPAC, in violation of 2 U.S.C. § 441b(a).

VI. 1. Respondent will pay a civil penalty to the Federal Election Commission in the amount of nine thousand dollars (\$9,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

2. Respondent will not undertake nor otherwise engage in fundraising activity of the type described above on behalf of any political committee.

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

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IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel


BY:


Lois G. Lerner
Associate General Counsel

Date

5/24/99

FOR THE RESPONDENT:


(Name)
(Position)

Date

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